



*Internal Audit
825 N.E. Multnomah
Suite 1900
Portland, Oregon 97232
(801) 220-4675
Fax (801) 220-4578*

DATE: September 25, 2013
TO: G. E. Abel
FROM: D. Stuart
SUBJECT: PacifiCorp Internal Audit Report 13-SOX-04
2013 Sarbanes-Oxley Energy Trading Cycle Key Control Testing

PacifiCorp internal audit has completed a review of PacifiCorp's energy trading cycle key control effectiveness. This review is intended to support management's assessment of internal controls as required under Section 404 of the Sarbanes-Oxley Act of 2002.

The objectives of the audit are to evaluate the energy trading cycle key controls ensuring that the:

- controls are designed to effectively reduce the risk of material misstatement in the relevant financial statement accounts and meet the stated financial assertions, and
- controls are operating as designed.

Based on the review, the energy trading cycle key internal controls are designed to effectively reduce the risk of material misstatement in the relevant financial statement accounts and meet the stated financial assertions. All key controls tested were operating as designed. The control events for the annual control components of the risk oversight committee review control (IM01) that requires risk management policy review and approval by the risk oversight committee as well as annual acknowledgement of the policy review by energy trading, risk management, credit and back office staff are pending completion and will be tested as part of roll-forward testing at year-end. In relation to this same control, management is implementing a process enhancement to ensure notification of risk management policy violations to the PacifiCorp Energy president and risk oversight committee is formally documented.

The attached audit report provides additional detail, discussion and background related to this audit.

cc: M. Dunn	R. Eddy	A. Miller
S. Bird	S. Kusters	B. White
D. Stuver	J. Kahl	P. Goodman
B. Williams	B. Griswold	W. Irmiter
H. Lay	R. Baker	D. Gooding
N. Koblaha	L. Barbeau	T. Smith
J. Apperson	T. Chiotti	B. Amick
J. Erb	S. McAdams	M. Weiss
D. Young	N. Wessling	Deloitte & Touche LLP
J. Fritz	D. Heim	

This report is intended for use by management.



Internal Audit
825 N.E. Multnomah
Suite 1900
Portland, Oregon 97232
(801) 220-4675
Fax (801) 220-4578

DATE: January 29, 2014
TO: G. E. Abel
FROM: R. Halpern
SUBJECT: Internal Audit Report 13-SOX-13
2013 Sarbanes-Oxley Energy Trading Control Cycle Roll-Forward Control
Testing

To support management's evaluation of internal controls as required under Section 404 of the Sarbanes-Oxley Act of 2002 for the year ended December 31, 2013, PacifiCorp internal audit has completed roll-forward testing for the commercial and trading, risk management, credit and back-office staff annual control activity for acknowledging their receipt and review of the approved PacifiCorp Energy Commercial & Trading Risk Management Policy. At the time of internal audit's energy trading control cycle Sarbanes-Oxley key control testing, this control activity for the risk oversight committee review control had not been completed.

Based upon the roll-forward review, this control activity was completed and tested without exception.

The attached audit report provides additional details, discussion and background related to this audit.

cc: M. Dunn
S. Bird
D. Stuver
B. Williams
H. Lay
N. Kobliha
J. Apperson
J. Erb
D. Young
J. Fritz

R. Eddy
S. Kusters
J. Kahl
B. Griswold
R. Baker
L. Barbeau
T. Chiotti
S. McAdams
N. Wessling

D. Heim
B. White
P. Goodman
W. Irmiter
D. Gooding
T. Smith
B. Amick
M. Weiss
Deloitte & Touche LLP

This report is intended for use by management.



Internal Audit
825 N.E. Multnomah
Suite 1900
Portland, Oregon 97232
(801) 220-4675
Fax (801) 220-4578

DATE: March 24, 2014
TO: G. E. Abel
FROM: R. Halpern
SUBJECT: Internal Audit Report 13-SOX-05
2013 Sarbanes-Oxley Testing of Level 2 Key Controls

PacifiCorp internal audit has completed a review of the effectiveness of PacifiCorp's Level 2 key controls. PacifiCorp's Level 2 controls include key controls from the following control cycles:

[REDACTED] inventory, fixed assets and accrued liabilities. This review is intended to support management's assessment of internal controls as required under Section 404 of the Sarbanes-Oxley Act of 2002.

The objectives of the audit are to evaluate the Level 2 key controls ensuring that:

- controls are designed to effectively reduce the risk of material misstatement in the relevant financial statement accounts and meet the stated financial assertions, and
- controls are operating as designed.

Based on the review, the Level 2 key controls are designed to effectively reduce the risk of material misstatement in the relevant financial statement accounts and meet the stated financial assertions. All key controls tested are operating as designed.

The attached audit report provides additional detail, discussion and background related to this audit.

cc: M. Dunn	S. Hastings	T. Chiotti	S. Obermire
P. Reiten	J. Kahl	D. Curnow	D. Webb
R. Walje	S. Kelly	B. Durning	T. Connors-Perez
D. Stuver	J. Lewis	B. Morgan	D. Neimann
C. Crane	C. Mansfield	C. Pollastro	B. White
B. Williams	S. McCoy	N. Adolphson	P. Goodman
K. Hymas	M. Reis	C. Boyle	W. Irmiter
H. Lay	D. Robinson	M. Fechner	D. Gooding
N. Kobliha	J. Vickers	K. Ipson	T. Smith
N. Adent	M. Ward	H. Loechle	B. Amick
T. Dinehart	E. Wilson	M. McCoy	M. Weiss
B. Goble	D. Young	K. Mortensen	Deloitte

This report is intended for use by management.